

## PROMOTING SMALL & MEDIUM SIZE BUSINESSES FOR SUSTAINABLE DEVELOPMENT IN EGYPT

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### ABSTRACT

*SMEs play a key role in transition and developing countries. The majority of SMEs in developing and transition countries, however, has been less able or unable to exploit the benefits of globalization and are frequently under pressure on the local or domestic markets from cheaper imports and foreign competition. This study is presenting the importance of SMEs and their major contributions to sustainable development and the new challenges small businesses are facing in our contemporary era. The study is also tackling the opportunities and possible captive markets for SMEs and the obstacles and hurdles facing SMEs in Egypt. The paper also focused on the relationship between SMEs and local and international financial institutions; identifying major aspects regarding this relationship. At last the study came up with few recommendations hoping that decision and policy makers in Egypt will take it into consideration.*

**KEYWORDS:** *SMEs, International Financial Institutions, Foreign Competition and Local or Domestic Markets*

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### INTRODUCTION

Welcome to the world of the entrepreneur. Around the world, growing numbers of people are realizing their dreams of owning and operating their own businesses. Entrepreneurship continues to thrive in nearly every corner of the world. Globally, one in nine adults is actively engaged in launching a business.<sup>1</sup> This entrepreneurial spirit is the most significant economic development in recent business history. Entrepreneurs' activities have introduced innovative products and services, pushed back technological frontiers, created new jobs, opened foreign markets, and, in the process, provided their founders with the opportunity to do what they enjoy most. Entrepreneurial activity is essential to a strong global economy.<sup>2</sup>

Small and medium enterprises are and will be the spearhead of the economies in the North Africa region. They will constitute large pools of employment and substantially contribute to economic growth. For this reason it is necessary to place these needs at the very heart of government policies. A priority is to facilitate the job of SMEs at the local, national and regional levels along with improvement of the business environment. The integration of the region's economies into globalization is essential. This means, SMEs should put a greater effort

<sup>1</sup>Donna Kelly, NielsBosma, and Jose Ernesto Amoros, *Global Entrepreneurship Monitor 2010 Global Report*, Babson College, Universidad del Desarrollo, and Global Entrepreneurship Research Consortium, 2011, pp.22-23

<sup>2</sup>Norman M. Scarborough, *Essentials of Entrepreneurship and Small Business Management* (7<sup>th</sup> ed.), Pearson Education: 2014, p. 18

to improve their competitiveness and quality of products.

In this regard, and given the international economic climate, the creation of a development and financing strategy addressing SMEs must be rapidly put in place together with professional and trade union associations to secure their cooperation and involvement. More efforts must also be made to bolster up the capacity of SMEs to comply with international standards, and to develop links between enterprises, as well as to innovate and modernize SMEs. In the Arab world Egypt enjoys a strategic position. It is the most highly populated country in the region with a deeply rooted entrepreneurial tradition. The GAFI (General Authority for Investment and Free Zones), a public authority in charge of investment promotion, regularly identifies investment opportunities in Egypt.

For this authority, business opportunities exist in eight promising sectors, namely transportation (maritime, river and road), new information and communications technologies, urban infrastructures, education, tourism, the petroleum sector, agriculture and Industry.<sup>3</sup>In all these sectors extensive investment opportunities exist for SMEs that could either give rise to individual or joint projects or be placed in the framework of investment projects of large size national and international enterprises by offering intermediate goods or services.

Since the small and medium-sized enterprises occupy a strategic position in the development process, and constitute a crucial issue of the economic environment, providing job opportunities and participating in the creation of value added, the researcher is interested in discussing the impact of SMEs on economic and social development in Egypt. The researcher will try to come up with true facts regarding SMEs and their Also, will try to reveal all types of challenges SMEs are facing and the policies and procedures the government is instituting to upgrade these enterprises.

This paper deals with the challenges and opportunities offered by SMEs in Egypt trying to assess their contribution to growth and development in the country. It also proposes, in light of the public policies practiced by the Egyptian government, a series of policy recommendations designed to strengthen the capacities of SMEs as players in sustainable development. The first chapter states the major contributions of SMEs to sustainable development from the theoretical standpoint or in terms of international and North African experience. The second chapter develops the discussion on sectoral opportunities and possible captive markets for SMEs; also, the variety of challenges the sector is facing in Egypt. The third chapter analyses government policy on the country's SMEs as well as obstacles to their administrative, legal, fiscal, financial, human and technological development. The fourth and last chapter deals with the major policy areas and recommendations proposed and discussed by the experts with regard to the various dimensions likely to reinforce the role of SMEs as actors in sustainable development in Egypt.

## **MAJOR CONTRIBUTIONS OF SMES TO SUSTAINABLE DEVELOPMENT**

### **Definition of SMEs**

Statistical definition of SMEs varies by country and is usually based on the number of employees, and value of sales and/or value of assets. Due to its ease of collection, the most commonly used variable is the number of employees. The EU and a large number of OECD,<sup>4</sup> transition and developing countries set the upper limit of number of employees in the SMEs between 200-250, with a few exceptions such as Japan (300 employees) and the USA (500

<sup>3</sup>See GAFI: website: [www.gafinet.org](http://www.gafinet.org)

<sup>4</sup>OECD (2002) Small and Medium Enterprise Outlook, Paris.

employees).<sup>5</sup> Schneider compared the size of the informal sector in 22 transition (former Soviet Union and Central and Eastern Europe) and 21 OECD economies from 2000-2002 and found that the size of the informal sector amounted to an average of 16.7%, 29.2% and 44.8% of GDP in OECD, Central and Eastern Europe and the former Soviet Union economies, respectively.<sup>6</sup>

### **Contribution of SMEs to Development and the New Challenges**

SMEs, including the informal sector, were perceived rather as a synthetic construction mainly of “social and political” importance, especially throughout the 1980’s and up to late 1990’s. Recent empirical studies show that SMEs contribute to over 55% of GDP and over 65% of total employment in high-income countries. SMEs and informal enterprises account for over 60% of GDP and over 70% of total employment in low-income countries, while they contribute over 95% of total employment and about 70% of GDP in middle-income countries. SMEs and the informal sector (shadow economy) are inversely associated with economic development. SMEs contribute to employment and income generation and export revenues, however, development partners and SMEs themselves need to address a number of challenges; such as the creation of new and innovative firms and the graduation of as many informal enterprises as possible into the formal sector.

Also, SMEs have to achieve a level of competitiveness that will enable them to integrate into the global value chains through trade (exports and internationalization) and investment, including linkages with FDI. Dealing with these challenges is becoming even more complex and demanding as globalization proceeds. Although, globalization has the potential to open up access to new markets, technologies, skills and capital for SMEs, further economic integration brings with it a viscous competition from imports, the entry of new foreign investors and the strengthening of domestic, large firms that start to take over traditional, mostly local SME markets.<sup>7</sup>

### **SMEs and Sustainable Development**

Sustainable development is one that meets the needs of the present without compromising the ability of future generations to meet their own needs. This requires full, integration of its economic, social and environmental dimensions. Given their economic and social significance, SMEs must play a leading role in sustainable development, which implies commitment of all relevant stakeholders in the public and private sectors, among consumers and in civil society. On the one hand, they contribute substantially to the local production fabric, to wealth creation as well as to the creation and maintaining of jobs.

On the other hand, they are flexible, responsive; provide access to traditional and current knowledge, specialization and innovation, proximity to consumers and local markets, and relations with major enterprises. They also

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<sup>5</sup> Ayyagari, Beck and Demirgüç-Kunt (2003) also provide official SME definitions for 74 OECD, transition and developing countries, including references to the sources of data.

<sup>6</sup> Schneider, Friedrich (2003), “The Size and Development of the Shadow Economies and Shadow Economy Labor Force of 22 Transition and 21 OECD Countries: What Do We Really Know?” in Boyan Belev, editor, *The Informal Economy in the EU Access Countries: Size, Scope, Trends and Challenges to the Process of EU Enlargement*, C

<sup>7</sup> Promoting Entrepreneurship and Innovative SMEs in A Global Economy: Towards A More Responsible and Inclusive Globalization, 2nd OECD Conference of Ministers Responsible for Small and Medium-Sized Entrepreneurs (SMEs), Istanbul, Turkey 3-5 June 2004

offer great opportunities for rural development and integration into the global and regional integration.<sup>8</sup> According to OECD data, SMEs are the dominant company type, accounting for 95 percent to 99 percent worldwide. Within an expanded Europe, 99.8 percent of enterprises are SMEs (under 250 workers). In countries like Italy, for instance, over 99 percent of companies are SMEs. In most OECD countries, 95 percent of manufacturing companies are small (under 50 workers). The United States SMEs account for only 80 percent of manufacturing firms. In Asia, SMEs account for over 99 percent of companies in Japan, South Korea and China.

In Latin America SMEs generally constitute more than 90 percent of enterprises but with great variations among the countries.<sup>9</sup> North Africa lacks sufficient data to assess SME contribution to GDP, employment, investment and exports. Nevertheless, some data give useful indications varying in accuracy, depending on the country and the dimension taken into consideration. Generally, and like everywhere else in the world, North African SMEs form the bulk of the industrial fabric and provide many jobs and high value added.

The contribution of SMEs to wealth and job creation increases with the levels of development. There is a strong positive correlation between the contribution of SMEs to employment and GDP and per capita income of the country. SMEs contribute to the sustainable development of countries by helping in their gradual transition from the informal to the formal sector. Even though the informal sector accounts for almost one half of GDP in low-income countries, it is nearly 40 percent in medium-income countries, and under 15 percent in high-income countries. SMEs have a key role to play in sustainable development, especially as that the non-official sector pays less attention to the negative effects on the environment and the jobs on offer in the non-official sector are often not as decent as those of the formal sector.<sup>10</sup>

### **SMEs Corporate Social Responsibility and Sustainable Development**

Corporate social responsibility (CSR) has been defined over the past two decades as the volunteer contribution of the companies to improve the society well-being, to have cleaner environment, and to enhance their relationship with their stakeholders.<sup>11</sup>

Sustainable development requires an orchestrated integration of its three pillars which are the social, environmental, and economic aspects of development through the involvement of the private sector and the civil society organizations in achieving so.

Accordingly, sustainable development is circling around three integrated domains which are: the public sector through the CSR sustainable consumption and production policies, energy policies, environmental policies, and social policies; the private sector through corporate accountability (which stands for compliance with the mandatory legal standards) integrating harmonically with the CSR that is perceived as the voluntarily participation by the private sector that

<sup>8</sup>United Nations, Economic Commission for Africa Office for North Africa, SMEs actors for Sustainable Development in North Africa, 2008

<sup>9</sup> Ibid

<sup>10</sup> Ayyagari M., Beck T., Demirgüç-Kunt A., 2003, "Small and Medium Enterprises across the Globe: A new Database", World Bank Policy Research Working Paper, n° 3127.

<sup>11</sup> Albareda L., Lozano J., Ysa T. (2007), Public policies on Corporate Social Responsibility: The Role of Governments in Europe, Journal of Business Ethics, Vol. 74, pp. 391-407.

goes beyond the legal requirements; and the civil society that is receiving the sustainable consumption, housing, mobility or investment through new ways of (corporate and public) governance.<sup>12</sup>

Governments have perceived that their role regarding having a positive impact on the society and the environment is of growing importance nowadays. Corporate social responsibility public policies have been developed and multi-stakeholder strategies have been incorporated by the governments. For the government to be able to promote the voluntary CSR issues, this requires the adoption of legislative frameworks, facilitating guidelines, and coordinating the roles and efforts of the participating companies, social organizations, and local governments which will lead to a more developed business, social and environmental practices.<sup>13</sup>

Governments are interested in the concept of CSR for several reasons. First, the business organizations applying the CSR are contributing to the achievement of policy objectives not only those objectives that are related to the social and environmental issues but also those foreign policy goals such as human development and development assistance as CSR is being perceived nowadays as a common body of doctrine that allows businesses to achieve the shared objectives of public policy and making the world a better place. Second, the soft CSR policies consistently with the recent public governance transitions have moved away from the hierarchical regulation towards more network-like and partnering modes of self- and co-regulation. In this sense, CSR can be perceived as a feature of new societal governance, which means that business organizations are no longer concerned only with achieving their own business objectives, rather they are involved in societal and environmental issues that are raised by their stakeholders such as suppliers, employees, regulators, customers, and civil society organizations (CSOs) and this reflects 'the public role of private enterprises'.

Third, since CSR is concerned with the management of the relationships between the private sector and its stakeholders, this inevitably would lead to reshaping the roles and the relationships between the private, public, and civil society. Accordingly, this will lead to shifting the involvement of the public and the private sector and governments have a natural interest in co-defining the shifting involvements of the different sectors rather than being passive objects of change.<sup>14</sup> On the other hand, the private sector has its own motives to engage in CSR. Surveys showed that reputation is one of the key drivers for the company to engage in CSR issues for small companies and even for companies' having more than 15000 employees. Other surveys showed that ethical and moral reasons are significant driving forces for the engagement in CSR. Field studies that were conducted about the number of the SMEs involved in CSR showed that nine out of ten companies believe that the involvement in environmental and social responsibilities must be given a significant attention. Similarly, improved networking opportunities with the other societal sectors are perceived by SMEs as an appealing consequence of such engagements.

Accordingly, the managers of the corporations involve in CSR neither because of legal requirements nor completely voluntarily, rather as a response to the demands and pressures of the stakeholders, otherwise they will suffer

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<sup>12</sup>Steurer R. (2010), The Role of Governments in Corporate Social Responsibility: Characterising Public Policies on CSR in Europe; in: Policy Sciences, 43/1, pp. 49-72.

<sup>13</sup>Albareda L., Lozano J., Ysa T. (2007), Public policies on Corporate Social Responsibility, **Opcit**

<sup>14</sup>Steurer R. (2010), The Role of Governments in Corporate Social Responsibility, **Opcit**

economically. Consequently, CSR is perceived by the managers of the corporations as one of the effective means of managing stakeholders' relationships.<sup>15</sup>

### **Strengthening SME Competitiveness in Transition and Developing Countries**

Metcalf, Ramlogan and Uyarra (2003) argue that competitiveness is embodied in the characteristics of the firm. Meyer-Stamer (1995) concurs with the view that competitiveness is created at the firm level, but that it is partly derived from a systemic context and emerges from complex patterns of interactions between government, enterprises and other actors, and will therefore exhibit different forms in each society. Untimely, SME development strategies will necessarily be country and context specific.

Each country will have its own challenges, opportunities and priorities for change. Researchers believe very much in the latter opinion (Meyer-Stamer point of view) as the development process of SMEs is definitely integrated and associated with the macro development of each country. The economic/political condition of each country affects the development of businesses in general and SMEs in specific. Resources available for implementation will vary by country, so that results achieved will also be different. For example, in the 1980s and most of the 1990s, enterprise policy in European countries focused on employment creation, and initiatives supporting new business creation were prominent.

### **OPPORTUNITIES AND POSSIBLE CAPTIVE MARKETS FOR SMES IN EGYPT**

In the late 1990s, the government of Egypt started believing that rather than depending on a few big firms to increase exports and create jobs, why not make a massive effort to lift thousands of tiny enterprises into growth. Yet, the country's small-scale entrepreneurs work stubbornly to earn a living in the face of numerous obstacles. They don't have access to credit services so they build personal networks to obtain loans based on trust. They also lack marketing channels, so they make use of personal contacts with merchants and suppliers. Struggling to keep their businesses alive, they rarely have the time to look into how new approaches or technologies could make their businesses more efficient. But if constraints were removed and new opportunities created, could Egypt's small and medium-sized enterprises surge forward?

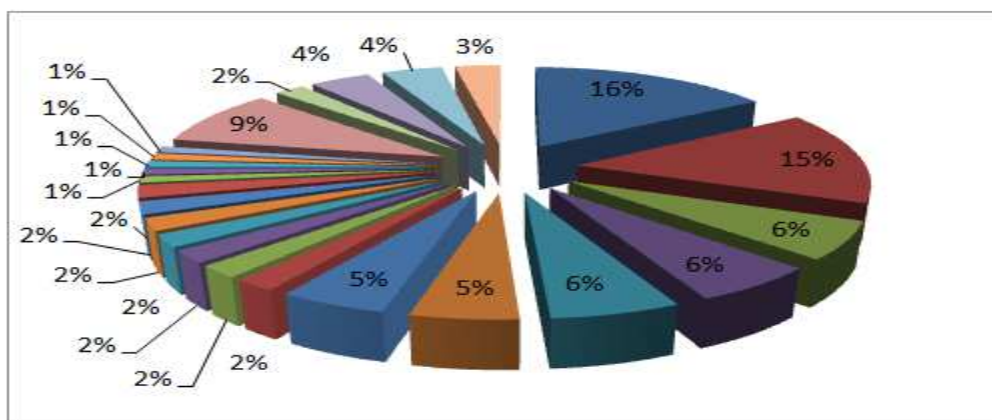
Micro enterprises (one to four employees) represent the overwhelming majority in Egypt with a share of 93.7 percent, followed by small enterprises (five to nine employees) with 5.7 percent. The great majority of micro, small and medium enterprises (MSME) operate in trade and services (81.6 percent), while industry accounts for only 16.9 percent of total activities. The International Finance Corporation conducted projections on the number of enterprises in Egypt.

Based on the census of businesses conducted in 1999 by the Central Agency for Public Mobilization and Statistics (CAPMAS), the number of enterprises in 2003 was 2,576,937. 93.5 percent of these are micro enterprises (one to four employees), 4.97 percent very small enterprises (five to nine employees), and 1.56 percent small and medium enterprises (10 to 200 employees).<sup>16</sup> While in a recent research conducted by Hala El-Said, Mahmoud Al-Said, and ChahirZaki, about

<sup>15</sup>Hanke T., Stark W. (2009), Strategy development: Conceptual Framework on Corporate Social Responsibility, Journal of Business Ethics, Vol. 85, pp. 507-516.

<sup>16</sup>IFC, *SMEs Landscape in Egypt*, 2004.

small and medium enterprises landscape in Egypt, it stated that the amount of registered firms with more than 5 employees and having a significant value-added in Egypt are around 36, 492 firms.<sup>17</sup>



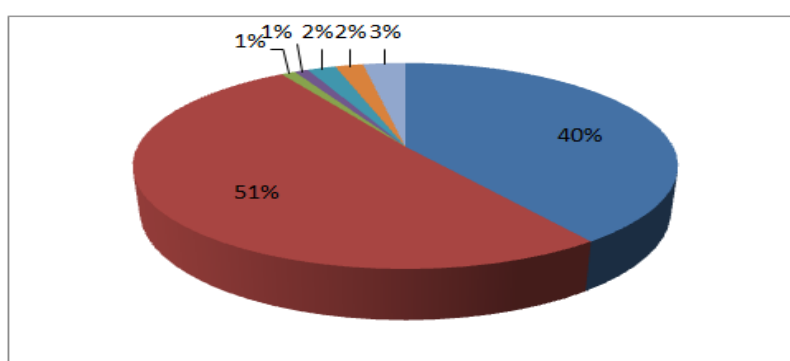
Source: Central Bank of Egypt, 2012

Figure 1: Relative Distribution of SMEs among Governorates in Egypt

Sharkeya 16%, Cairo 15%, Gharbeya 9%, Alex 6%, Dakahleya 6%, Minia 6%, Aswan 6%, Qualiobia 5%, Giza 5%, Beheira 4%, Assiut 4%, Others 4%, Menoufia 3%,

Suez 2%, Helwan 2%, 6th of Oct. 2%, Kafr El Shiekh 2%, Ismailia 2%, BeniSuef 2%, Fayoum 2%, Sohag 2%, Damietta 1%, South Sinai 1%, Port Said 1%.

It is worthy to note that almost half of SMEs are concentrated in three governorates: Sharkeya, Cairo and Gharbeya (see Figure1). This may be explained by the accessibility to road and to transportation of goods, which positively and significantly affects firms' productivity as they allow firms to better produce and market their products or services to a wider scope of clients. Finally, since other governorates have not a significant share of SMEs, more attention should be attribute to them in order to improve their infrastructure and therefore to allow firms to be established there.<sup>18</sup>



Source: Central Bank of Egypt, 2012

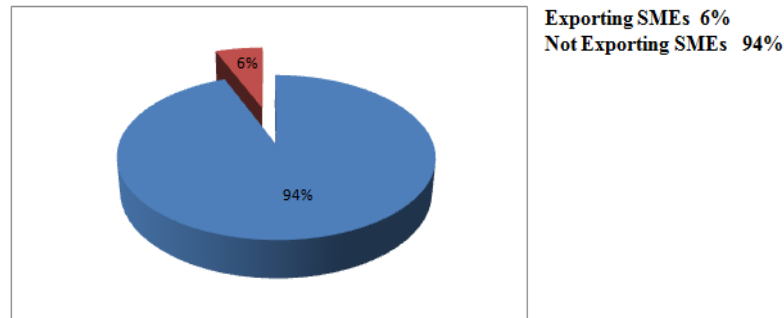
Figure 2: Relative Distribution of SMEs According to Main Economic Activity in Egypt (2012)

<sup>17</sup> Hala El-Said, Mahmoud Al-Said, and ChahirZaki, Small and Medium Enterprises Landscape in Egypt: New Facts from a New Dataset, Faculty of Economics and Political Science, Cairo University, 2013

<sup>18</sup> Ibid

**Manufacturing 51% Trade 40% Tourism 3% Construction & Building 2% Agriculture 1% Health 1% Other 2**

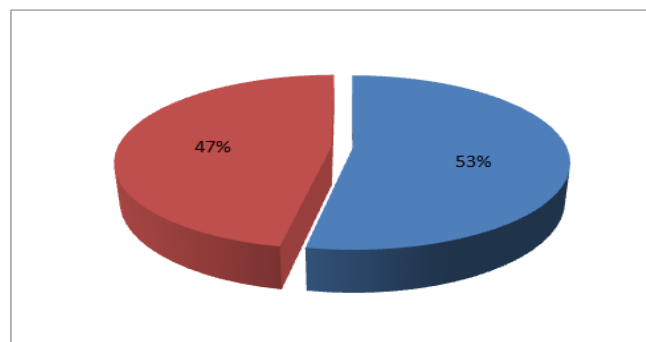
Looking carefully at Figure 2, we'll notice right-away that the 'Manufacturing' sector and the 'Trade' sector are presenting the highest distribution of SMEs in Egypt. This is due to the fact that the entry barriers in terms of capital, skill and technology characteristics are low, especially in the trade sector.



Source: Central Bank of Egypt, 2012

**Figure 3: Relative Distribution of SMEs According to Exporting in Egypt (2012)**

As for Figure 3, it is showing that 94% SMEs don't enjoy trading in the global market, while only 6% of SMEs do export their commodities to foreign countries. This is due to the fact; a firm enters export markets if and only if the net profits generated from its exports in a given country are sufficient to cover the fixed exporting costs. Firms face fixed production costs, which lead to the exit of inefficient firms whose productivities are lower than a threshold level, as they do not expect to earn positive profits in the future. The whole issue is circling around the capital and production capacity; and obviously SMEs are having deficiency regarding this point in Egypt.



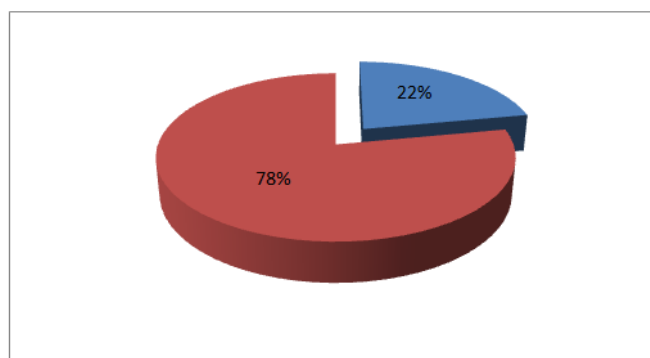
Source: Central Bank of Egypt, 2012

**Figure 4: Relative Distribution of SMEs according to Dealing with Banks**

**Yes 47% No 53%**

The explanation to the percentage of SMEs dealing with banks (47%) and not dealing with banks (53%) is that banks often prefer to extend credit to large corporate clients and connected individuals that are considered less risky; small businesses are less stable, are more prone to risk, don't have available records, have unclear information, are difficult to access and are less profitable. Plus lacking of business plans and documents, weakness in management, and absence of reliability of financial statements, explain the above-mentioned percentages.





Source: Central Bank of Egypt, 2012

**Figure 5: Relative Distribution of SMEs according to having Facilities from Banks**

**Yes 22% No 78%**

Figure number 5 is confirming the majority of SMEs in Egypt (78%), are not getting any facilities from banks, while only 22% of SMEs are granted loans from banks and financial institutions. This is the case in many financial institutions in the developed and the developing world. These financial institutions are usually reluctant to fund SMEs because of perceived risk and high transaction costs. SMEs in the developing world are considered high-risk, as their managers are perceived as lacking managerial expertise and/or tangible assets to secure loans. Thus loans to SMEs, when they are able to obtain them, tend to carry higher interest rates and shorter pay-back times. However, now-a day's things may be changing; many large banks are now partnering with development agencies and NGOs to serve the SME market. This kind of partnership is essential to promote sustainable growth in developing countries.

## CONCLUSIONS

Researchers conclude the following aspects regarding promoting small and medium size businesses for sustainable development in Egypt:

### The Support of Various Stakeholders

In spite of all the above-mentioned, it is fair to say that the development of SME banking in Egypt was encouraged by multiple stakeholders (local and international financial institutions). This support has pursued various 'models' such as following:<sup>19</sup>

- **Policy Initiatives:** introducing a global policy applicable to all banks that favour and promote SME banking
- Fine-tuning aspects such as credit scoring, and providing specific banks with support to develop their SME banking e.g. term resources in a line of credit for on-lending to SMEs.
- **Improve the Clientele:** improving the sophistication of SMEs themselves, so as to enable them to more 'bankable' by having better financial records and projections, simple business plans etc. (IMC in Egypt)
- **Nurturing a Key Facilitator:** establishing and nurturing a key facilitator to develop SME banking.

<sup>19</sup> Robert Poldermans, Expanding Egypt's Banking Frontiers: The future of SME Banking in Egypt 'Turning ripples into waves', October 2011, p. 11

The Business Development Support Services Project (BDSSP) chose model 'd' and worked closely with the Egyptian Banking Institute (EBI) to establish the SME Banking Unit during January 2007. A business plan for the unit was produced in January 2008 (funded by BDSSP) and key staff were appointed in April 2008. Since then the Unit has developed quickly and its numerous achievements are documented elsewhere.<sup>20</sup>

### **The Egyptian SME Banking Future**

Egyptian financial policy makers aim for banking best practices. They want Egyptian SMEs to be quoted in benchmarking analyses as having achieved excellence, just like India, Korea and others. They do believe in in-bank change which starts at the very top before it is cascaded through the entire bank. They also want strong universal banks to undertake SME banking because it is highly profitable and there are important synergies and links between SME banking and Retail banking, Fund Management and Corporate banking, so having these all together under one roof provides significant benefits for Customer Relationship Management (CRM), products and other key aspects of SME banking.

### **Difficulties in Moving Forward**

There are probably issues slowing SME banking development in the following aspects:

At present, Egypt has not yet got a coherent coordinated development process for SME banking, with strong leadership involving many stakeholders. But that is needed, and we must overcome difficulties in finding the right person to lead this process; someone charismatic, energetic, professional, accepted and respected, and without conflict of interest; Inviting the right stakeholders to play a leading and deciding role in the process, and other stakeholders to play a technical role in the process. Getting the mix right, and assigning the right roles to the right stakeholders, is a key part to making it work. Reflecting the membership issues, organizing a structure that has a senior deciding team and several technical teams and providing know-how and expertise. Not all stakeholders are convinced that SME banking is good for them. Many probably still think that 'we have to lend to SMEs to do the Government a favour' but we will do as little as possible because it is so risky. It is a tough matter, getting senior bankers to understand that SME banking is an entrepreneurial fast-moving decentralized profitable business operating within tight guidelines but with considerable autonomy.<sup>21</sup>

## **RECOMMENDATIONS**

- Peace and stability is a key requirement for the development of SMEs and for attracting foreign investment.
- SME development requires a crosscutting strategy, (i.e. its success depends on the ability of governments to implement sound macroeconomic policies, the capability of stakeholders to develop conducive microeconomic business environments, and the ability of SMEs to implement competitive operating practices and business strategies).
- Dialogue and partnerships between the stakeholders is essential (public sector, private sector and civil society) to embed trust and mutual understanding. It is politically more credible, and more sustainable.
- Investments in physical infrastructure and business services and the implementation capacity of policy makers, local level administrators and support structures determine success.

<sup>20</sup> For example in the EBI Annual Report, on the EBI website, and in the recent presentation 'SMEUnit, Updated Activities' July 2011

<sup>21</sup> Robert Poldermans, Expanding Egypt's Banking Frontiers, Opcit, pp. 23& 24

- Developing export support, which includes the provision of information about specific markets and potential customers; helping in making contact with potential customers or appropriate public and private intermediaries and business service providers; and the assistance with market visits.
- Developing an SME-FDI linkage ‘offer’, based on the ‘fit-to-supply’ principle, will give the support and coherence of capacity building to SMEs.
- Governments should perform its roles of facilitating, mandating, partnering, and endorsing appropriately in order to increase the CSR concept awareness among the SMEs.
- Companies must develop for themselves clear visions about the developmental roles that they want to play and the societal problems that they want to solve as a means of contribution to sustainable development.
- Starting with adopting small rather than huge developmental programs that wouldn’t be considered as a burden.

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